



48 Monroe Turnpike
Trumbull, CT 06611

July 2, 2009

Honorable Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Avenue, Bldg. #69, First Floor
Cranston, RI 02920

Re: Annual Small and Large Employer Rate Factor Filings – October 1, 2009
UnitedHealthcare of New England, Inc. and UnitedHealthcare Insurance Company

Dear Commissioner Koller:

I am hereby submitting our response to your letter to me dated June 17, 2009 relating to the above referenced filing. Please see the attached letter addressed to you from Stephen J. Farrell, Chief Executive Officer.

Should you have any questions or need additional information, please contact me at (203) 459-7893.

Sincerely,

Kate Hall, ASA, MAAA
Director of Actuarial Pricing
Northeast Region
UnitedHealthcare

cc. Stephen J. Farrell, Chief Executive Officer

July 2, 2009

Mr. Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Avenue, Building 69
Cranston, RI 02920

Stephen J. Farrell Chief Executive Officer
UnitedHealthcare
475 Kilvert Street Warwick RI 02886
Tel 401 732 7348 Fax 401 732 7536 Toll Free 800 447 1245
stephen_farrell@uhc.com

Dear Commissioner Koller:

I am writing in response to your letter dated June 17 asking UnitedHealthcare to withdraw our small and large group rate requests filed with your office. As an interim response, UnitedHealthcare will withdraw our filing requests with the understanding that we will meet with your office to discuss medical costs and cost containment strategies in more detail and then re-file our rate requests at a later date this year.

It is important to note that we submitted these requests with a full understanding of the current economic environment here in Rhode Island. We are acutely aware of the impact of premium increases on employers, employees and families. We do work closely with our customers to help them find the most affordable health insurance solutions to meet the needs of their employees and their families.

Nevertheless, the rates we filed are necessary to cover the medical cost and utilization increases we are experiencing from hospitals, physicians and other providers. As the cost of health care continues to rise, we are concerned that if we were to forego any premium increases for a full year, an even more dramatic rate increase would be required the following year.

To be clear, some of these issues here in Rhode Island are a reflection of the larger challenges facing our national health care system. Inadequate reimbursement from government programs combined with an increasing number of uninsured individuals is putting a strain on our state's hospitals. This unhealthy combination results in these facilities looking for higher reimbursement to compensate for their other funding shortfalls.

UnitedHealthcare believes that reform and modernization of our health care system is critical and we will continue to bring our experience and practical solutions to the discussions here in Rhode Island, as we are in Washington, D.C.

I believe you understand as I do that all stakeholders within health care must continue to address the underlying costs of our health care system in order to moderate medical inflation and in turn premium increases. Therefore I look forward to our following up in the very near future.

Sincerely,



Stephen J. Farrell, Chief Executive Officer
UnitedHealthcare of New England